

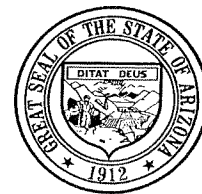
**ARIZONA DEPARTMENT OF WATER RESOURCES**

**Office of Assured and Adequate Water Supply**

500 North Third Street, Phoenix, Arizona 85004-3921

Telephone 602 417-2465

Fax 602 417-2467



**JANET NAPOLITANO**  
Governor

**HERB GUENTHER**  
Director

March 22, 2004

Mr. Roy Tanney  
Arizona Department of Real Estate  
2910 N. 44th Street  
Phoenix, Arizona 85018

**Water Adequacy Report #22-401224 (REVISED)**  
**Subdivision Name:** Town Homes at Flagstaff Meadows  
**Owner:** Empire Residential  
**Number of lots:** 105  
**County:** Coconino  
**Township** 21 N **Range** 05 E **Section** 01

**Water provided by:** Utility Source, LLC  
**Water Type:** Groundwater  
**Current water depth:** No Information  
**Estimated 100-year depth:** No Information  
**Current decline rate:** No Information  
**Basin:** Verde Valley

Dear Mr. Tanney:

Pursuant to A.R.S. § 45-108, the Department of Water Resources has reviewed the available information pertaining to the water supply for the above-referenced subdivision. This letter constitutes the Department's report on the subdivisions water supply as required by A.R.S. § 45-108(A).

Adequacy of the 100-year water supply was reviewed by the Department with regard to physical, legal and continuous availability, and to determine if the water supply is of adequate quality. No information has been provided to the Department that indicates that the applicant has satisfied the adequate water supply requirements as set forth in A.A.C. R12-15-715 *et seq.* Therefore, the Department of Water Resources finds the water supply to be inadequate to meet the subdivision's projected needs.

Pursuant to A.R.S. §32-2181.F. a summary of the Department's report for those with an inadequate water supply be included in all promotional material and contracts for sale of lots in the subdivisions. We suggest the following synopsis:

"Town Homes at Flagstaff Meadows subdivision is being served groundwater by Utility Source LLC. The Department has determined that the criteria for a 100-year adequate water supply do not exist. The criteria for physical availability (A.A.C. R12-15-717.B), legal availability (A.A.C. R12-15-717.D.) and continuous availability (A.A.C. R12-15-717.C.) failed to be met. Also, the criteria for adequate water quality failed to be met as set forth in A.A.C. R12-15-718. Therefore the Department must find the water supply to be inadequate. For additional information please contact the Arizona Department of Water Resources at (602) 417-2465."

The developer, pursuant to A.R.S. §32-2181.F., may suggest a different summary of this report, but it must contain the above elements and/or the Department's findings. Any change to the above subdivision or water supply plans may invalidate this decision.

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Water Adequacy Report  
Town Homes at Flagstaff Meadows subdivision

This letter is being forwarded to your office as required by A.R.S. § 45-108. This law requires the developer to hold the recordation of the subdivision's plat until receipt of the Department's report on the subdivision's water supply. By copy of this report, the Coconino County Recorder is being officially notified of the developer's compliance with the law.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank Putman".

Frank Putman  
Acting Assistant Director

FP/AD/ef  
700027

cc: Coconino County Planning and Zoning  
Coconino County Recorder  
Chris Catalano, Southwest Groundwater Consultants, Inc.  
Doug Dunham, ADWR  
Steve Olea, Arizona Corporation Commission